



**U.S. Department of Justice**

*United States Attorney  
Southern District of New York*

*86 Chambers Street  
New York, New York 10007*

March 10, 2016

**By ECF**

Hon. Shelley C. Chapman  
United States Bankruptcy Judge  
One Bowling Green  
New York, NY 10004

Re: *In re O'Donnell, Adv. Proc. No. 09-1486 (Bankr. S.D.N.Y.) (SCC)*

Dear Judge Chapman:

At the request of Your Honor's Chambers, I write to provide an update on the status of the above matter. At issue is the discharge of plaintiffs' sizeable delinquent federal income tax liabilities. The United States has objected to discharge pursuant to 11 U.S.C. § 523(a)(1)(C), which provides that a tax debt will not be discharged in bankruptcy if the debtor "willfully attempted in any manner to evade or defeat such tax."

The parties have conducted extensive discovery which was recently completed. During the course of discovery, the parties exchanged several hundred thousand pages of documents, the Government issued thirty subpoenas, and plaintiffs John O'Donnell and Ellen O'Donnell were deposed. In 2015, the Government issued a total of twelve subpoenas to entities such as credit card issuers, vendors of consumer goods, casinos, a travel agency, a commercial airline, two hotel chains, and Amazon. Unfortunately, due to problems obtaining subpoenaed information from Amazon, completion of discovery was delayed by over six months. Earlier this year we received Amazon's production. The Government now has completed discovery and anticipates moving for summary judgment by the end of March.

I thank the Court for its consideration of this matter.

Respectfully,

PREET BHARARA  
United States Attorney for the  
Southern District of New York

By: /s/ Brandon Cowart  
BRANDON H. COWART  
Assistant United States Attorney  
Telephone: (212) 637-2693  
Email: brandon.cowart@usdoj.gov

cc: By ECF  
Mark A. Frankel, Esq.  
Backenroth Frankel & Krinsky, LLP  
*Counsel for Plaintiffs*